Minutes: Scottish Charity Regulator (OSCR) Board meeting, 20 April 2021

Board

	Members Present:	George Walker (Interim Chair), Pat Armstrong (Deputy Chair), Stephanie Fraser (StF), Jill Vickerman, Jessica Wade, Shona Ulrichsen
OSCR attendance:	Maureen Mallon, CEO	
	Martin Tyson, Head of Regulation & Improvement;	
	Judith Hayhow, Head of Corporate	
	Senior Manager Communications & Digital	
Internal Audit:	Finance Governance & Business Manager (items 4 and 13)	
	HR & Learning Co-ordinator (item 11 onwards)	
Board Secretary:	PA to CEO	

Private Business		
Item	**Area**	**Action**

1.	**Chair's introduction, welcome, apologies and declaration of interest**
	
	PA welcomed everyone to the meeting. It had been a particularly challenging time with resignations from both Lindsay Montgomery (former Chair) and Stuart Cross (Board member). The Board acknowledged the huge contributions both had made and asked their thanks be passed on. PA further thanked the Board and staff team for the valuable support provided during this time noting that Board interactions had been higher than normal during this period.
	
	PA welcomed George Walker (GW), appointed Interim Chair on 16.4.21, to his first Board meeting. It was noted that PA would chair this meeting with support from GW who would take over from the next meeting. GW introduced himself to the Members and set out his priorities for the immediate term:
	- Recruitment; Board Members/Chair
	      - discussions with MM/PA
	      - discussions with SG
	      - discussions with Public Appointments
	- Working together with Board and SMT to ensure OSCR is in the best place it can be
	- Committee memberships
	
	Declaration of Interest:
	
	PA; HIV Scotland
	SF; Ballet West; Robertson Trust	

2.	**Minutes of previous meeting/Action Log: 22 February 2021** The Minute had a few amendments for accuracy and was agreed as an accurate record and approved. It was acknowledged that the meetings to discuss KPIs and People Strategy, due to be held in March, as recorded in the Minute had not gone ahead due to re-arranging priorities. These are now items for discussion at today's Board meeting. The action log will be updated to reflect the current position. It was agreed the Actions on Business Plan and Risk Appetite will be updated. The meeting heard that there was no further update regarding the Quadrant House lease. JH and the Office & Records Team Leader are in discussions with SG Estates and Care Inspectorate and will provide updates when information is available. Substantial discussions about the overall SG estate are ongoing and we will continue to engage in these as required.	

3.	**CEO Report** The paper provides updates on significant developments not covered in intervening correspondence Members were asked if any further information or clarification was required on any of the information presented in the report. PA had met with Internal Auditors and the meeting heard that a substantial rating had been given to OSCR. Members noted a few improvement recommendations had been given and the report will be circulated to Members shortly. The recommendations will be considered at the next meeting of the ARAC and reported back to the next Board. Members thanked all those involved. The meeting noted the recent change of the Institute of Fundraising to chartered status is an indication of the importance that is attached to having a proper structure for fundraising. **ACTION:** **- IA Report to be circulated to Members** **COVID 19 Specific Actions**: The meeting discussed the update as presented. Minor amendments to the outcome "Work to minimise our current workloads, clear any backlogs…." to be made: - add "in light of cases committee considerations" before Backlog areas have been tackled… - amend "updated KPI's and management information has been developed" to being developed The meeting discussed possible future issues coming to OSCR including: - difficulty for new trustees to get insurance - concerns regarding mis-handling and administration of COVID loans, furlough scheme SG has produced some data re compliance with COVID emergency funding etc. and OSCR will be tracking these issues. In relation to staff wellbeing, MM outlined further detail of various actions underway including closely working with transition group to support staff, additional monthly 1-1 health and wellbeing meetings, guidance from SG and AR working closely with line managers across the organisation. It is important to balance the benefits of flexible working with our business needs as we prepare for a possible transition back to office based working from the end of June 2021. The actions will be reviewed and updated to include these. Members heard this was part of a bigger discussion including looking at SG owned buildings and leased buildings, the possibility of SG rationalising into owned buildings, looking at local hubs to facilitate staff working flexibly and location neutral roles. The meeting noted SG are actively engaging with OSCR on this. **ACTION:** **- review and update as agreed** **-continued joint work with the OSCR Transition Group, Quadrant/Compass House and SG**	**JH** **MM/SMT**
4.	**Risk Register** The Risk Register presented includes amendments and consolidation of risks as agreed at the February Board Meeting. The meeting discussed the updates. The meeting agreed Risk 3 should be reviewed and the mitigation updated to include the appointment of Interim Chair and the planned Co-opt to ARAC. It was further agreed to review the scoring of Risk 1 and update the mitigation. All agreed the Register is an excellent reflection of where we have got to notwithstanding the agreed updates.	

	Further discussion took account of: -Membership of Cases Committee, JV/MT/JH to discuss -Membership of ARAC, with resignation of Chair JH agreed to review the narrative of Risk 13 in relation to the online replacement project, Issues could include the new system not being ready prior to the current system stopping, challenge of moving back to current system, even temporarily, should we encounter problems moving to the new one. Some drafting suggestions were made including inserting "Board" before members in the mitigation column and expanding the GRG abbreviation. The meeting agreed there were no additional risks to be added at this time. **ACTION:** **- Review Risks 1, 3, 13 as agreed**	
		JH
5.	**Business Plan (**Finance Governance & Business Manager **joined for this item)** MM gave overview of the paper as presented. The meeting heard that, based on Board feedback, the objectives had been reworded and an overview added. Prior to publication, the Plan will be subject to enhanced design. Members discussed the Plan and key comments included: - review and amendment of "active and compliant charities" - suggestion, registered charities are active and fully compliant - review "we will support our people to develop the skills ….", suggestion, link and reference people strategy - measures of success should link back to agreed KPIs - "charities are well run and thriving" expand narrative; OSCR looking to mould events and guidance produced to help aid good governance, transparency. Members heard that a whole series of actions and priorities will sit under that and agreed that would make this much clearer. This is a good piece of work built on many discussions and feedback from Members. Members agree this is on the right track subject to review as discussed. **ACTION:** **- Revise as agreed and circulate for Board comment and approval**	
6.	**Key Messages for Annual Report & Accounts** JH gave overview of the paper as presented. Members were invited to consider proposals in respect of the Recommendations to Ministers which may be included in the Annual Report & Accounts. Including the Recommendations will allow us to draw attention to key issues and factors in respect of the sector and to OSCR as the Regulator. Recommendations presented for consideration are in respect of two topics, the first relates to the governance of NHS Charities and the second relations to the modernisation of the 2005 CTIS Act. Members are aware we had chosen not to include Recommendations in the Annual Report and Accounts in recent years as we had been involved in many consultations. This year we propose to include the Recommendations as set out. MT shared some context with the meeting. Work continues on the 10 Recommendations and the Scottish Government consultation is currently running, work will continue to progress post-election. OSCR will continue to actively engage to support that process. We are aware there is an appetite for a wider review of charity law in the sector and across the legal sector. Inclusion of the Recommendations provides the opportunity to point towards that. Members discussed the Recommendations and key points raised included: - Agreed Recommendations (with revisions) be included in the Annual Report & Accounts - Support of the 2 areas identified in the Recommendations, consider how we help and work with SG	

	- Opportunity to reinforce having more joined up strategic approach to the Sector - Consider inclusion of response to COVID We will ensure that the language across the overall report, including the key messages in the foreword, are explicit in confirming our intentions to be more engaged in shaping and influencing government priorities. **ACTION:** **- Recommendations will be reviewed in light of discussion and reconsidered by Board**	 **MM/SMT**
7.	Cases Committee Update and Report JV introduced the paper that provides an update to the Board on the Casework Committee's March meeting and to make the Board aware of significant ongoing cases. The meeting heard that the papers presented are now in a different format to align with ARAC following comments from Auditors. The meeting noted this format has not yet been endorsed by the Committee. JV gave outline of the role of the Committee for the benefit of the Chair. The meeting heard the Committee had met on 29 March and discussed cases. Business and issues covered include: -Backlogs and long-running cases; progress and approaches regarding the management of backlogs remains a topic discussed at every meeting and the Committee is monitoring the position and supporting staff to consider the ways forward. - Role of other Regulators; OSCR can sometimes be the only Regulator looking at a particular charity even when others should have much more of a locus. Our role here is to ensure relevant Regulators are brought in and are actively engaging - Risk appetite; subject of discussion today, this will be an extremely important tool in the assessment of cases - Cases bottlenecks are being monitored to establish root of the issue: processes, OSCR or applicant, resource? - Reviewing membership of Cases Committee. GW to priorities Committee membership discussions Members discussed what comes to the Board and the Cases Committee. Do the right things come to the Committee? Is everything being picked up? MT confirmed a set of criteria has been drafted to address this and will go to the next Cases Committee and the Board. In summing up GW understood the weight placed on Board Members in relation to membership of our committees and confirmed this is a priority. GW will meet with Board Members and Senior Team Members to discuss and progress. Lessons learned are published at the end of each published report. However, we want to do more as set out in the Business Plan. The meeting noted the Cases Committee had been operational for 1 year and an Annual Report of their work will be prepared and brought to the Board. **ACTION:** **- GW will meet with board members and review committee membership** **- Annual Report of Cases Committee will be brought to Board**	 **GW** **MT/JV**
8.	**Performance Management Report** The Performance Report contains corporate information in respect of operational performance in the period from the start of February until the end of March 2021.	

	The meeting heard that defaulting charities had increased. This was not unexpected given the end of the grace period OSCR afforded to charities. We are currently looking to identify resource for this area of work taking into consideration possible workload increase in particular areas of the business as a priority. Incoming status levels are returning to normal pre-COVID levels. Some areas of the business continue to increase e.g. level of notifications of changes such as constitution changes and consent to wind up mainly due to COVID and challenges for charities working remotely. Members noted the report.	
9.	**KPIs (**Finance Governance & Business Manager joined for this item) Finance Governance & Business Manager introduced the paper to discuss the draft management information and KPI's for the year 2021-22. Previous Member feedback had been incorporated into this iteration. Members were asked if the 5 KPIs highlighted in the paper are sufficient to provide a high level overview of OSCR performance or whether further measures are needed. Members were also asked to provide feedback on the range of management information they would wish to consider at meetings. Members had a robust discussion, Key discussion points included: - Ensuring that the measures are linked to the right outcome, recognising overlap - There is still a large number of indicators, it would be good to review again to confirm if these are still appropriate - Should be aligned with our 7 measures of success as detailed in BP; a mapping exercise to be undertaken -OSCR Customer Satisfaction Score: if customers are at the heart of what we do, this has to be about them and their perception of OSCR. Finance Governance & Business Manager will consider how this can be measured e.g. surveys, digital communications etc. - The Engagement Score from Civil Service people Survey becomes our sixth KPI Members agreed an enormous amount of work and discussion had been carried out in getting to this point and agreed the following actions: **ACTION:** **- review in light of comments, revise and bring back to Board** **- mapping between KPI's and measures of success to be carried out**	
10.	**Meeting Close/AOCB:** PA thanked Members and staff for the support they had given her since the resignation of the previous Chair and confirmed GW will assume Chair duties for meetings going forward. GW extended thanks to PA and observed that OSCR had a very competent Board and staff team, acknowledged by the recent substantial rating awarded. GW outlined next steps: -Recruitment process: discussions with all relevant parties including PA/MM, SG officials and Public Appointments team -OSCR Committees: address membership issues, undertake appropriate discussions with Members - 1-1 chats with all Members - Private Board discussion No official announcement regarding GW appointment will be made until after the new Scottish Government is in place. MM confirmed a draft Agenda for the Strategy Day on 24 May will be circulated to Members for comment in due course following discussions with GW and PA.	